



CITY OF STAMFORD
OFFICE OF LEGAL AFFAIRS
HUMAN RESOURCES DIVISION
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Draft Minutes for the Classified Employees Retirement Fund Meeting
held remotely on Thursday, April 14, 2022 via a Zoom meeting

Those in attendance were*:

Mary Lou Rinaldi, Acting Chair, Trustee	Alfred Cava, Director – Human Resources	Anabel Arquello, Northern Trust
Steven Bonaparte, Trustee	James Lavin, Retirement Benefits Specialist Human Resources	Patricia Koulouris, Northern Trust
Jeff Curtis, Trustee	Angelo Sestito, Assistant Director Human Resources	David R. Javaheri, Morgan Stanley
Eric Newman, Trustee	Kimberly Hawreluk, Human Resources Processing Technician	Kevin Nichols, Morgan Stanley
David Yanik, Controller	Rick Petersen, Retiree Association	Joseph J. Matthews, Morgan Stanley
	Scott Williams, Attorney	Lindsay Pereguda, Morgan Stanley

**Members of the public were in attendance, but did not speak*

With a Quorum present, Mary Lou Rinaldi called the meeting to order at 9:00 a.m.

I. Minutes:

- A. A motion to approve the February 17, 2022 CERF Board meeting Minutes was made by Eric Newman and seconded by Steven Bonaparte. The motion was approved by unanimous consent.
- B. Agenda Item: Approval of the March 2022 CERF Board Meeting Minutes – Approval not required, as there was no quorum present to hold a meeting.

II. Public Participation:

Rick Petersen from the Retirement Association revisited the possibility of implementing a COLA for the Pension Fund. In response, Alfred Cava, Director of Human Resources reported that Milliman continues to work with the preliminary data to reconstruct the calculations for COLA Provisions. In addition, Pension Counsel is researching the interplay between City Charter Provisions and Pension COLA provisions. Director Cava will continue to provide updates to the Trustees.

III. New Business:

A. Northern Trust Report – Anabel Arguello

Anabel Arguello introduced her supervisor, Patricia Koulouris to the Board and those in attendance. The Administrative Report was reviewed for the month dated, March 31, 2022, which included the opening balance, contributions, distributions, fees, expenses and income. Due to other additions, Trustee, Eric Newman requested a revised report, which Ms. Arguello would forward to members.

B. Morgan Stanley – Financial Advisor

Morgan Stanley team members presenting the monthly report included Lindsay Pereguda, David R. Javaheri, Managing Director/Senior Institutional Consultant, Kevin Nichols, Senior Vice President and Joseph J. Matthews, Vice President.

Kevin Nichols reviewed items on the Morgan Stanley Agenda, including the Fiduciary Schedule for 2022 – 2023, Current Asset Allocation Ranges and Asset Allocation by Manager (as of March 31, 2022). At this time, the presentation focused around the diversified set of managers, with the goal to protect the Fund due to the expected volatility in the current market and to maintain cash flow in order to cover liability. Looking ahead, Mr. Nichols mentioned that the Fund might want to add a specific real estate line item for asset allocations, but more information would be forthcoming.

Vice President, Joseph J. Matthews, provided information on the Research Insights, which included a Capital Market update with information on wealth management perspectives and current indicators.

Kevin Nichols then reviewed the Time Weighted Performance, Fiscal Year Cash Flow Gain/Loss Summary and the Cash Flow Analysis Report. The Cash Flow Analysis Report was completed using the Actuarial Valuation Reports in order to develop the Cash Flow Portfolio Yields and Liability Payments. According to the report, the Assumed Rate of Return decreased to 6.70%. In addition, the Actuarial Determined Employer Contributions, ADEC cash flow needs are going to increase in the portfolio on an on-going basis.

At this time, Mary Lou Rinaldi commented that at the Board of Finance meet with all of the pension funds earlier in the week. Chair Rinaldi stated that the Board reported that the Classified Employees Retirement Fund had the best performance out of all of the funds.

Controller, David Yanik requested further information on Morgan Stanley's Cash Flow report, which indicated a month of cash flow on hand to cover benefit payments. Kevin Nichols responded with a recommendation for Board approval to prorate it amongst the investments, take some cash from the long-term accounts, including dividends and interest, and place that in the short-term fund for cash on hand.

A motion was made by Steven Bonaparte to approve the recommendation to fund the pension payments as presented by Morgan Stanley. Eric Newman seconded the motion. Hearing no objections or abstentions, the motion was approved unanimously.

C. Vested Pensions:

i. Jean Gleeson \$1,905.16

Eric Newman made a motion to approve the vested pension request for Jean Gleeson. Steven Bonaparte seconded the motion. The motion was approved unanimously.

D. Return of Contributions:

i. Kaitlyn Dicine \$1,912.84

Eric Newman made a motion to approve the return of contributions request for Kaitlyn Dicine. Steven Bonaparte seconded the motion. The motion was approved unanimously.

ii. Pervej Rahman \$13,060.07

Eric Newman made a motion to approve the return of contributions request for Pervej Rahman. Steven Bonaparte seconded the motion. The motion was approved unanimously.

E. Retirements:

i. Gary Kimbell \$2,100.20 \$25,202.44

Eric Newman made a motion to approve the retirement request for Gary Kimbell. Steven Bonaparte seconded the motion. The motion was approved unanimously.

ii. Michael Palkimas \$3,645.71

Eric Newman made a motion to approve the retirement request for Michael Palkimas. Steven Bonaparte seconded the motion. The motion was approved unanimously.

F. Disability Retirements:

At this time, Mary Lou Rinaldi made a motion to go into Executive Session in order to discuss current legal and medical matters pertaining to the below disability retirement requests. Eric Newman seconded the motion.

The following individuals entered Executive Session at 10:00 a.m., including: Mary Lou Rinaldi, Steven Bonaparte, Eric Newman, Jeff Curtis, Alfred Cava, James Lavin and Attorney, Scott Williams.

The group returned from Executive Session at 10:32 a.m. At that time, Mary Lou Rinaldi reported that there were no motions or votes taken during the Executive Session.

i. Thomas Vecesy HELD

ii. Anthony Smith HELD

G. Buy Back: NONE

H. Bills: Alfred Cava, Director of Human Resources presented the invoices to the Board as one vote.

- i. Milliman Invoice# 0054SCE 03 22 \$7,373.75
(Quarterly Retainer: April – June 2022; Benefit Assistance)
- ii. Morgan Stanley Invoice# 10804022042 \$12,950.00
(Investment Advisory Fee: January 1, 2022 – March 31, 2022)
- iii. Robinson+Cole Invoice# 50369536 \$594.00
(Legal Service Fees)
- iv. Robinson+Cole Invoice# 50361853 \$4,684.50
(Legal Service Fees)

Mary Lou Rinaldi motioned to approve the bills as presented by Director Cava. Eric Newman seconded the motion.

I. Trustee Election

Alfred Cava, Director of Human Resources and Fund Secretary informed the Trustees that the term of the incumbent Trustee, Eric Newman, will be expiring June 17, 2022. Pursuant to City Charter, an election will be held next month. Director Cava provided the Trustees with a time line for their information as well as draft documents to be sent out to all current and retired CERF members.

Trustee, Eric Newman brought up a possible training opportunity as well as a no cost portfolio monitoring service provided by a local law firm. The Trustees in attendance agreed this would be a matter to approach at a future meeting, in the meantime, Mr. Newman would gather more information for the Board.

Eric Newman made a motion to adjourn, which Steven Bonaparte seconded. Mary Lou Rinaldi adjourned the meeting at 10:37 a.m.

The next Meeting of the Trustees for the Classified Employees Retirement Fund will be a Quarterly Meeting scheduled for Thursday, May 19, 2022 at 9:15 a.m.